

**SAMBA  
Federal Employee  
Benefit Association**

***Grandfathered Members***

Member Term Life Coverage

Dependents Term Life Coverage



# Disclosure Notice

## FOR ARKANSAS RESIDENTS

Prudential's Customer Service Office:

The Prudential Insurance Company of America  
Prudential Group Life Claim Division  
P.O. Box 8517  
Philadelphia, PA 19176  
1-800-524-0542

If Prudential fails to provide you with reasonable and adequate service, you may contact:

Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904  
1-800-852-5494

## FOR FLORIDA RESIDENTS

**The benefits of the policy providing your coverage are governed by the law of a state other than Florida.**

## FOR INDIANA RESIDENTS

Questions regarding your policy or coverage should be directed to:

**The Prudential Insurance Company of America  
(800) 524-0542**

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Department of Insurance by mail, telephone or e-mail:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street, Suite 300  
Indianapolis, Indiana 46204

Consumer Hotline: (800) 622-4461; (317) 232-2395

Complaints can be filed electronically at [www.in.gov/idoi](http://www.in.gov/idoi).

## **FOR MARYLAND RESIDENTS**

**The Group Insurance Contract providing coverage under this Certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.**

## **FOR WISCONSIN RESIDENTS**

### **KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS**

Problems with Your Insurance? – If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

#### **Prudential's Customer Service Office:**

**The Prudential Insurance Company of America  
Prudential Group Life Claim Division  
P.O. Box 8517  
Philadelphia, PA 19176  
1-800-524-0542**

You can also contact the Office of the Commissioner of Insurance, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the Office of the Commissioner of Insurance by contacting:

Office of the Commissioner of Insurance  
Complaints Department  
P.O. Box 7873  
Madison, WI 53707-7873  
1-800-236-8517  
608-266-0103

**THIS NOTICE IS FOR TEXAS RESIDENTS ONLY**

**IMPORTANT NOTICE**

To obtain information or make a complaint:

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 475-1771

Web: <http://www.tdi.state.tx.us>

Email: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)

**PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim you should contact Prudential first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

**ATTACH THIS NOTICE TO YOUR POLICY:**

This notice is for information only and does not become a part or condition of the attached document.

**AVISO IMPORTANTE**

Para obtener información o para someter una queja:

Puede comunicarse con el Departamento de Seguros de Texas para obtener información acerca de compañías, coberturas, derechos o quejas al:

**1-800-252-3439**

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 475-1771

Web: <http://www.tdi.state.tx.us>

Email: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)

**DISPUTAS SOBRE PRIMAS O RECLAMOS:**

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con Prudential primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

**UNA ESTE AVISO A SU POLIZA:**

Este aviso es sólo para propósito de información y no se convierte en parte o condición del documento adjunto.

# Disclosure Notice

## Note:

- **Any payment made under this option may be taxable. You are advised to seek the help of a professional tax advisor for assistance with any questions that you may have.**
- **If you elect this option, your eligibility for Medicaid or other government programs may be affected. You are advised to seek the help of a professional legal advisor for assistance with any questions that you may have.**
- **Option to Accelerate Payment of Death Benefits:** Your Member and Participant Term Life Insurance and Dependents Term Life Insurance plans include an option to give you flexibility in how your group life and dependents insurance benefits will be paid. If you or your Qualified Dependent Spouse becomes terminally ill, this option may allow you to have part of your or your Qualified Dependent's life insurance benefits, which would otherwise be paid at death, to be paid in advance to you while you or your Qualified Dependent is alive.

**Eligibility:** To be eligible to elect this option, you must furnish proof satisfactory to Prudential that you or your Qualified Dependent Spouse is a Terminally Ill Person whose life expectancy is 12 months or less, including certification by a qualified doctor. Election of this option is also subject to the Conditions below.

**Amount of Benefit:** If you are the Terminally Ill Person, the Terminal Illness Proceeds are equal to any amount up to 75% of the amount in force on the person's life on the date Prudential receives proof that the person is a Terminally Ill Person, but not more than \$250,000 total under the Member Term Life, Participant Term Life and any other employee, member or participant term life insurance plan for which you are insured under G-09400-DC. If your Qualified Dependent Spouse is the Terminally Ill Person, the Terminal Proceeds are equal to any amount up to 75% of the amount in force on the person's life on the date Prudential receives proof that the person is a Terminally Ill Person, but not more than \$250,000 total under the Dependents Term Life Coverage and any other dependents term life insurance plan for which you are currently insured under Group Contract G-09400-DC.

In either event, the Terminal Illness Proceeds for you or your Qualified Dependent spouse may be reduced if, within 12 months after the date Prudential receives such proof that you or your Qualified Dependent Spouse is a Terminally Ill Person, a reduction on account of age would have applied to the amount of your Member Term Life Insurance or your Dependents Term Life Insurance. In that case, the amount of the Terminal Illness Proceeds for that person may not exceed 75% of the amount of such insurance after applying the reduction.

But, in no event may the amount of Member Term Life Insurance or Dependents Term Life Insurance that remains in force under each Coverage be less than \$10,000.

**Effect of Option:** If you elect this option, the amount of your life insurance benefits or your Qualified Dependent Spouse's life insurance benefits payable to your beneficiary on your death or to you on the death of your Qualified Dependent Spouse will be reduced by the advanced payment. Also, if you are contributing for your life insurance or your Qualified Dependent's life insurance, the amount of your contribution will be based on the amount of insurance for which you or your spouse would be insured if you had not elected this option.

**Conditions:** Your right to be paid under this option is subject to these terms:

- (1) You elect this option while the Terminally Ill Person is covered under the Contract.
- (2) The Terminally Ill Person must be less than age 69 at the time you elect this option.
- (3) You must furnish proof that satisfies Prudential that the Terminally Ill Person's life expectancy is 12 months or less, including certification by a Doctor.
- (4) If the Terminally Ill Person's Member Term Life Insurance or Dependents Term Life Insurance is assigned you must provide written consent from any irrevocable beneficiaries and assignees. Prudential may require consent from a spouse, or other beneficiaries, or any other person if in our discretion such consent is necessary.
- (5) Payment of the benefit under the Member Term Life Insurance and Dependents Term Life Insurance may be made only once, while the person is covered under this Contract.
- (6) Terminal Illness Proceeds will be made available to you on a voluntary basis only. Therefore:
  - (a) If you are required by law to use this option to meet the claims of creditors, whether in bankruptcy or otherwise, you are not eligible for this benefit.
  - (b) If you are required by a government agency to use this option in order to apply for, get or keep a government benefit or entitlement, you are not eligible for this benefit.

**Premium for Accelerated Death Benefits:** There is no additional charge for this benefit.

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## THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

# Certificate of Coverage

**Prudential** certifies that insurance is provided according to the Group Contract(s) for each Insured Member. Your Booklet's Schedule of Benefits shows the Contract Holder and the Group Contract Number(s).

**Insured Member:** You are eligible to become insured under the Group Contract if you are in the Covered Classes of the Booklet's Schedule of Benefits and meet the requirements in the Booklet's Who is Eligible section. The When You Become Insured section of the Booklet states how and when you may become insured for each Coverage. Your insurance will end when the rules in the When Your Insurance Ends section so provide. Your Booklet and this Certificate of Coverage together form your Group Insurance Certificate.

**Beneficiary for Member Death Benefits:** See the Booklet's Beneficiary Rules.

**Coverages and Amounts:** The available Coverages and the amounts of insurance are described in the Booklet.

If you are insured, your Booklet and this Certificate of Coverage form your Group Insurance Certificate. Together they replace any older booklets and certificates issued to you for the Coverages in the Booklet's Schedule of Benefits. All Benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate.

The Prudential Insurance Company of America  
751 Broad Street  
Newark, New Jersey 07102

**IMPORTANT INFORMATION FOR RESIDENTS OF CERTAIN**

**STATES:** *There are state-specific requirements that may change the provisions under the Coverage(s) described in this Group Insurance Certificate. If you live in a state that has such requirements, those requirements will apply to your Coverage(s) and are made a part of your Group Insurance Certificate. Prudential has a website that describes these state-specific requirements. You may access the website at [www.prudential.com/etonline](http://www.prudential.com/etonline). When you access the website, you will be asked to enter your state of residence and your Access Code. **Your Access Code is 09400.***

*If you are unable to access this website, want to receive a printed copy of these requirements or have any questions, call Prudential at 1-866-439-9026.*



# Table of Contents

CERTIFICATE OF COVERAGE .....	1
SCHEDULE OF BENEFITS .....	4
ELIGIBILITY AND EFFECTIVE DATE .....	6
MEMBER GROUP TERM LIFE COVERAGE.....	8
OPTION TO ACCELERATE PAYMENT OF DEATH BENEFITS .....	10
DEPENDENTS GROUP TERM LIFE COVERAGE .....	12
GENERAL INFORMATION.....	15
DEFINITIONS .....	17
WHEN YOUR INSURANCE ENDS.....	19
ERISA INFORMATION .....	25

# Schedule of Benefits

**Covered Classes:** The "Covered Classes" are the following Members of the Special Agents Mutual Benefit Association who are employed by or retired from an eligible agency of the Federal Government: All active and retired Members of the Special Agents Mutual Benefit Association who are less than age 62 and (1) employed by or retired from an eligible agency of the Federal Government; and (2) enrolled for Group Term Life Coverage on June 30, 2009.

**Program Date:** January 1, 2011. This Booklet describes the benefits under the Group Program as of the Program Date.

- This Booklet and the Certificate of Coverage together form your Group Insurance Certificate. The Coverages in this Booklet are insured under a Group Contract issued by Prudential. All benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate. It alone forms the agreement under which payment of insurance is made.
- The Contract Holder expects to continue the Group Program indefinitely. But the Contract Holder reserves the right to change or end it at any time. This would change or end the terms of the Group Program in effect at that time for active and retired Members.

## GROUP TERM LIFE COVERAGE FOR ACTIVE AND RETIRED MEMBERS

### BENEFIT AMOUNTS:

#### Amount For Each Benefit Class:

Benefit Classes	Amount of Insurance*
All Members	The amount for which you were insured under the group term life coverage on June 30, 2009 as reported to Prudential by the Contract Holder

When you reach age 62, the amount for which you are insured under SAMBA's Participant Term Life Coverage will be increased by the amount for which you are insured under the Group Term Life Coverage, rounded to the next higher or lower option available under the Participant Term Life Coverage, without giving evidence of insurability.

**Effect of Option to Accelerate Payment of Death Benefits:** Your amount of insurance (as determined in the absence of this provision) will be reduced by the amount of any Terminal Illness Proceeds paid under the Option to Accelerate Payment of Death Benefits.

## DEPENDENTS GROUP TERM LIFE COVERAGE FOR ACTIVE AND RETIRED MEMBERS

The amount of insurance is the amount for your Benefit Class. Your Benefit Class is determined by the classification of your dependents as shown in this table.

Qualified Dependents Classification	Amount of Insurance
Your spouse	The amount for which your spouse was insured under the dependents group term life coverage on June 30, 2009 as reported to Prudential by the Contract Holder
Your children	\$10,000

When you reach age 62, the amount for which your dependents are insured under SAMBA's Dependents Term Life Coverage will be increased by the amount for which your dependents are insured under the Dependents Group Term Life Coverage, rounded to the next higher or lower option available under the Dependents Term Life Coverage, without giving evidence of insurability.

### OTHER INFORMATION

**Contract Holder:** SPECIAL AGENTS MUTUAL BENEFIT ASSOCIATION (SAMBA)

**Group Contract No.:** G-09400-DC

**Federal Agencies:** Agencies which are reported to Prudential by the Contract Holder in writing for inclusion under the Group Contract, provided Prudential has approved such request.

**Cost of Insurance:** The insurance in this Booklet is Contributory Insurance. You will be informed of the amount of your contribution when you enroll. Any contribution due but unpaid at your death will be deducted from the death benefit.

**Prudential's Address:**

The Prudential Insurance Company of America  
80 Livingston Avenue  
Roseland, New Jersey 07068

### WHEN YOU HAVE A CLAIM

Each time a claim is made, it should be made without delay. Use a claim form, and follow the instructions on the form.

If you do not have a claim form, contact SAMBA.

# Eligibility and Effective Date

## FOR MEMBER INSURANCE

**You are eligible for Member Insurance while:**

- You are an active or retired Member of the Special Agents Mutual Benefit Association who is less than age 62 and (1) employed by or retired from an eligible agency of the Federal Government; and (2) enrolled for Group Term Life Coverage on June 30, 2009.
- **Your class** is determined by the Contract Holder. This will be done under its rules, on dates it sets. The Contract Holder must not discriminate among persons in like situations. You cannot belong to more than one class for insurance on each basis, Contributory or Non-contributory Insurance, under a Coverage. "Class" means Covered Class, Benefit Class or anything related to work, such as position or Earnings, which affects the insurance available.

Your Member Insurance under a Coverage will begin the first day on which:

- You are in a Covered Class for that insurance; and
- That Coverage is part of the Group Contract.

At any time, the benefits for which you are insured are those for your class, unless otherwise stated.

**Reinstatement:** If your coverage is terminated due to your loss of active pay and duty status, and you return to active pay and duty status within 6 months of the date your leave began, you will not be required to submit new evidence of insurability provided you apply within 30 days of the return to active employment. Payment of premium is required during the approved absence.

## Delay of Effective Date

If you are an Active Member, your Member Insurance under a Coverage will be delayed if you do not meet the Active Work Requirement on the day your insurance would otherwise begin. Instead, it will begin on the first day you meet the Active Work Requirement and the other requirements for the insurance. The same delay rule will apply to any change in your insurance that is subject to this section. If you do not meet the Active Work Requirement on the day that change would take effect, it will take effect on the first day you meet that requirement.

## FOR DEPENDENTS INSURANCE

Your Dependents Insurance under a Coverage for a person will begin the first day on which all of these conditions are met:

- The person is your Qualified Dependent.
- You are in a Covered Class for that insurance.
- Dependents Insurance under that Coverage is part of the Group Contract.

At any time, the Dependents Insurance benefits for which you are insured are those for your class, unless otherwise stated.

**Change in Family Status:** It is important that you inform SAMBA promptly when you first acquire a Qualified Dependent. You should also inform SAMBA if your Dependents Insurance status changes.

Forms are available for reporting these changes.

### **Delay of Effective Date**

A Qualified Dependent may be confined for medical care or treatment, at home or elsewhere. If a Qualified Dependent is so confined on the day that your Dependents Insurance under a Coverage for that Qualified Dependent, or any change in that insurance that is subject to this section, would take effect, it will not then take effect. The insurance or change will take effect upon the Qualified Dependent's final medical release from all such confinement. The other requirements for the insurance or change must also be met.

Newborn Child Exception: This section does not apply to any newborn child following a live birth.

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# Member Group Term Life Coverage

## FOR YOU ONLY

### A. DEATH BENEFIT WHILE A COVERED PERSON.

If you die while a Covered Person, the amount of your Term Life Insurance under this Coverage is payable when Prudential receives written proof of death.

Suicide: If your death results from or is caused by suicide, while sane or insane, the amount of your insurance under the Coverage is limited. If death because of suicide occurs:

- (1) within two years from the date you become a Covered Person, it is limited to the amount of premiums paid for your Coverage.
- (2) within two years from the date you become a Covered Person, it is increased, the part of the death benefit that would be payable on account of that increase is limited to the amount of premiums paid for that increase.

### B. DEATH BENEFIT DURING CONVERSION PERIOD.

A death benefit is payable under this Section B if you die:

- (1) within 31 days after you cease to be a Covered Person; and
- (2) while entitled (under Section C) to convert your Term Life Insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Term Life Insurance under this Coverage you were entitled to convert. It is payable even if you did not apply for conversion. It is payable when Prudential receives written proof of death.

### C. CONVERSION PRIVILEGE.

If you cease to be insured for the Term Life Insurance of the Group Contract for one of the reasons stated below, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. The reasons are:

- (1) Your employment ends, coverage is being reduced due to retirement or you transfer out of a Covered Class.
- (2) All term life insurance of the Group Contract for your class ends by amendment or otherwise. But, on the date it ends, you must have been insured for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

**Availability:** You must apply for the individual contract and pay the first premium by the later of:

- (1) the thirty-first day after you cease to be insured for the Term Life Insurance; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for the Member Term Life Insurance.

**Individual Contract Rules:** The individual contract must conform to the following:

**Amount:** Not more than your Term Life Insurance under this Coverage when your insurance ends. But, if it ends because all term life insurance of the Group Contract for your class ends, the total amount of individual insurance which you may get in place of all your life insurance then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your life insurance then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible within the next 60 days.
- (2) \$10,000.

**Form:** Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

**Premium:** Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

**Effective Date:** The end of the 31 day period after you cease to be insured for the Member Term Life Insurance.

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Any death benefit provided under a section of this Coverage is payable according to that section and the Beneficiary and Mode of Settlement Rules.

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# Option To Accelerate Payment Of Death Benefits

## FOR YOU AND YOUR DEPENDENT SPOUSE

The following is added to the Member Term Life Coverage and Dependents Term Life Coverage provisions:

### Definitions

- **Terminally Ill Person:** A Member or Qualified Dependent Spouse whose life expectancy is 12 months or less.
- **Terminal Illness Proceeds:** The amount of Member Term Life Insurance and Dependents Term Life Insurance that you may elect to place under this option.

If you are the Terminally Ill Person, the Terminal Illness Proceeds are equal to any amount up to 75% of the amount in force on your life on the date Prudential receives proof that you are a Terminally Ill Person, but not more than but not more than \$250,000 total under the Basic Member Term Life, Employee Term Life or Participant Term Life and any other employee, member or participant term life insurance plan for which you are insured under G-09400-DC.

If your Qualified Dependent Spouse is the Terminally Ill Person, the Terminal Illness Proceeds are equal to any amount up to 75% of the amount in force on your spouse's life on the date Prudential receives proof that your spouse is a Terminally Ill Person, but not more than but not more than \$250,000 total under the Basic Dependents Term Life, Optional Dependents Term Life and any other dependents term life insurance plan for which you are currently insured under Group Contract G-09400-DC.

In either event, the Terminal Illness Proceeds for you or your Qualified Dependent spouse may be reduced if, within 12 months after the date Prudential receives such proof that you or your Qualified Dependent Spouse is a Terminally Ill Person, a reduction on account of age would have applied to the amount of your Member Term Life Insurance or your Dependents Term Life Insurance. In that case, the amount of the Terminal Illness Proceeds for that person may not exceed 75% of the amount of such insurance after applying the reduction.

But, in no event may the amount of Member Term Life Insurance or Dependents Term Life Insurance that remains in force under each Coverage be less than \$10,000.

**Option:** If you or your Qualified Dependent Spouse become a Terminally Ill Person while covered under the Member Term Life Insurance or the Dependents Term Life Insurance provisions, you may elect to have the Terminal Illness Proceeds for that person placed under this option. That election is subject to the conditions set forth below.

**Payment of Terminal Illness Proceeds:** If you elect this option, Prudential will pay the Terminal Illness Proceeds you place under this option in one sum when it receives proof that you or your Qualified Dependent Spouse is a Terminally Ill Person.

**To Whom Payable:** The benefits under this provision are payable to you.



**Conditions:** Your right to be paid under this option is subject to these terms:

- (1) You elect this option while the Terminally Ill Person is covered under the Contract.
- (2) The Terminally Ill Person must be less than age 69 at the time you elect this option.
- (3) You must furnish proof that satisfies Prudential that the Terminally Ill Person's life expectancy is 12 months or less, including certification by a Doctor.
- (4) If the Terminally Ill Person's Member Term Life Insurance or Dependents Term Life Insurance is assigned, you must provide written consent from any irrevocable beneficiaries and assignees. Prudential may require consent from a spouse, or other beneficiaries, or any other person if in our discretion such consent is necessary.
- (5) Payment of the benefit may be made only once under the Member Term Life Insurance and only once under the Dependents Term Life Insurance, while the person is covered under this Contract.
- (6) Terminal Illness Proceeds will be made available to you on a voluntary basis only. Therefore:
  - (a) If you are required by law to use this option to meet the claims of creditors, whether in bankruptcy or otherwise, you are not eligible for this benefit.
  - (b) If you are required by a government agency to use this option in order to apply for, get or keep a government benefit or entitlement, you are not eligible for this benefit.

**Effect on Insurance:** This benefit is in lieu of the benefits that would have been paid on you or your Qualified Dependent Spouse's death with respect to the Terminal Illness Proceeds. When you elect this option, the total amount of Member Term Life Insurance or Dependents Term Life Insurance otherwise payable on you or your Qualified Dependent Spouse's death will be reduced by the Terminal Illness Proceeds. Also, any amount you or your Qualified Dependent Spouse could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

**Effect on Contributions:** The amount of your contribution, if any, will be based on the amount of insurance for which you or your Qualified Dependent Spouse would be insured if you had not elected this option.

# Dependents Group Term Life Coverage

## FOR YOUR DEPENDENTS ONLY

### A. DEATH BENEFIT WHILE A COVERED PERSON.

If a dependent dies while a Covered Person, the amount of insurance on that dependent under this Coverage is payable when Prudential receives written proof of death.

Suicide: If your dependent's death results from or is caused by suicide, while sane or insane, the amount of insurance on that dependent under the Coverage is limited. If death because of suicide occurs:

- (1) within two years from the date you become a Covered Person, it is limited to the amount of premiums paid for your Coverage.
- (2) within two years from the date you become a Covered Person, it is increased, the part of the death benefit that would be payable on account of that increase is limited to the amount of premiums paid for that increase.

### B. DEATH BENEFIT DURING A CONVERSION PERIOD.

A death benefit is payable under this Section B if a dependent dies:

- (1) within 31 days after ceasing to be a Covered Person; and
- (2) while entitled (under Section C) to a conversion of the insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Dependents Group Term Life Coverage which could have been converted. It is payable even if conversion was not applied for. It is payable when Prudential receives written proof of death.

### C. CONVERSION PRIVILEGE.

This privilege applies if you cease to be insured for the Dependents Group Term Life Coverage of the Group Contract with respect to a dependent. That dependent may have your insurance on the dependent under this Coverage, which then ends, converted to an individual life insurance contract. Evidence of insurability is not required. However, conversion is not available if the insurance ends for one of these reasons:

- (1) You fail to make any required contribution for insurance under the Group Contract.
- (2) All Dependents Group Term Life Term Life Coverage of the Group Contract for your class ends by amendment or otherwise. This (2) does not apply if, on the date it ends, you have been insured with respect to the dependent for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

**Availability:** The individual contract must be applied for and the first premium must be paid by the later of:

- (1) the thirty-first day after you cease to be insured for Dependents Group Term Life Coverage with respect to the dependent; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for Dependents Group Term Life Coverage with respect to the dependent.

**Individual Contract Rules:** The individual contract must conform to the following:

**Amount:** Not more than the amount of Dependents Group Term Life Coverage on the dependent ending under this Coverage. But, if it ends because all the Dependents Group Term Life Coverage of the Group Contract for your class ends, the total amount of individual insurance which may be obtained in place of all the Dependents Group Term Life Coverage on the dependent then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your Dependents Group Term Life Coverage on the dependent then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible with respect to the dependent within the next 31 days.
- (2) \$10,000.

**Form:** Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

**Premium:** Based on Prudential's rate as it applies to the form and amount, and to the dependent's class of risk and age at the time.

**Effective Date:** The end of the 31 day period after you cease to be insured for Dependents Group Term Life Coverage with respect to the dependent.

Any death benefit provided under a section of this Coverage is payable to you.

If you are not living at the death of a dependent, the death benefit is payable to the dependent's estate or, at Prudential's option to any one or more of these surviving relatives of the dependent: wife; husband; Registered Domestic Partner; mother; father; children; brothers sisters. But, if you die with the dependent, or within 15 days of the dependent's death, the death benefit is payable to the first of your surviving relatives as follows: spouse or Registered Domestic Partner; natural or adopted children in equal shares; parents in equal shares; or brothers and sisters in equal shares.

If your dependents continue the Dependents Group Term Life Coverage after your death, your surviving dependent spouse or Registered Domestic Partner may designate a Beneficiary. If there is no surviving Beneficiary at the death of the dependent spouse, the death benefit is payable to the surviving dependent spouse's or Registered Domestic Partner's estate. Death benefits for a surviving dependent child are paid to the surviving spouse or Registered Domestic Partner, if any, or otherwise to the child's estate.

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# General Information

## **BENEFICIARY RULES**

The rules in this section apply to insurance payable on account of your death, when the Coverage states that they do.

"Beneficiary" means a person chosen, on a form approved by Prudential, to receive the insurance benefits.

You have the right to choose a Beneficiary for each Coverage under this Prudential Group Contract.

If there is a Beneficiary for the insurance under a Coverage, it is payable to that Beneficiary. Any amount of insurance under a Coverage for which there is no Beneficiary at your death will be payable to the first of the following: your (a) surviving spouse or Registered Domestic Partner; (b) surviving child(ren) in equal shares; (c) surviving parents in equal shares; (d) surviving siblings in equal shares; (e) estate.

You may change the Beneficiary at any time without the consent of the present Beneficiary. The Beneficiary change form must be filed through the Contract Holder. The change will take effect on the date the form is signed. But it will not apply to any amount paid by Prudential before it receives the form.

If there is more than one Beneficiary but the Beneficiary form does not specify their shares, they will share equally. If a Beneficiary dies before you, that Beneficiary's interest will end. It will be shared equally by any remaining Beneficiaries, unless the Beneficiary form states otherwise.

If you and a Beneficiary die in the same event and it cannot be determined who died first, the insurance will be payable as if that Beneficiary died before you.

## **MODE OF SETTLEMENT RULES**

The rules in this section apply to Member Life Insurance payable on account of your death.

"Mode of Settlement" means payment other than in one sum.

Member Life Insurance is normally paid to the Beneficiary in one sum. But a Mode of Settlement may be arranged with Prudential for all or part of the insurance, as stated below.

Arrangements for Mode of Settlement: You may arrange a Mode of Settlement by proper written request to Prudential. If, at your death, no Mode of Settlement has been arranged for an amount of your Member Life Insurance, the Beneficiary and Prudential may then mutually agree on a Mode of Settlement for that amount.

Conditions for Mode of Settlement: The Beneficiary must be a natural person taking in the Beneficiary's own right. A Mode of Settlement will apply to secondary Beneficiaries only if Prudential agrees in writing. Each installment to a person must not be less than \$20.00. A change of Beneficiary will void any Mode of Settlement arranged before the change.

Choice by Beneficiary: A Beneficiary being paid under a Mode of Settlement may, if Prudential agrees, choose (or change the Beneficiary's choice of) a payee or payees to receive, in one sum, any amount which would otherwise be payable to the Beneficiary's estate.

Prudential has prepared information about the modes of settlement available. Ask the Contract Holder for this.

## **INCONTESTABILITY OF LIFE INSURANCE**

This limits Prudential's use of a person's statements in contesting an amount of Life Insurance for which the person is insured. These are statements made to persuade Prudential to accept the person for insurance. They will be considered to be made to the best of the person's knowledge and belief. These rules apply to each statement:

- (1) It will not be used in the contest unless:
    - (a) It is in a written instrument signed by the person and
    - (b) A copy of that instrument is or has been furnished to the person or to the person's Beneficiary.
  - (2) If it relates to the person's insurability, it will not be used to contest the validity of insurance which has been in force, before the contest, for at least two years during the person's lifetime.
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## DEFINITIONS

**Active Work Requirement:** A requirement that you are in active pay and duty status working for the Agency by which you are employed for earnings that are paid to you regularly and you are performing each of the material duties of your occupation. You must work at an Agency's usual place of business; an alternate work site at the direction of the Agency; or at any other place that the Agency's business requires you to travel.

**Agency:** Either the Special Agents Mutual Benefit Association or an agency of the Federal Government that has been approved by the Contract Holder in writing.

**Beneficiary:** The person or entity named to receive a benefit at death of a Member or Dependent of a Member unless indicated otherwise.

**Calendar Year:** A year starting January 1.

**Contract Holder:** The Association in whose name the Contract is issued.

**Contributory Insurance:** Contributory Insurance is insurance for which the Contract Holder has the right to require your contributions.

**Coverage:** A part of the Booklet consisting of:

- (1) A benefit page labeled as a Coverage in its title.
- (2) Any page or pages that continue the same kind of benefits.
- (3) A Schedule of Benefits entry and other benefit pages or forms that by their terms apply to that kind of benefits.

**Covered Person under a Coverage:** A Member who is insured for Member Insurance under that Coverage; a Qualified Dependent for whom a Member is insured for Dependents Insurance, if any, under that Coverage under the Contract which has become effective and has not ended.

**Dependent:** any of the following: (1) the Member's lawful spouse; or (2) the unmarried dependent child of a Member from live birth to under 26 years of age (which includes a stepchild, legally adopted child, child placed in the home for adoption, grandchild in the legal custody of the Member, and foster child). A Dependent stepchild must be living with the Member in a normal parent-child relationship (except when living outside the house to attend school on a full-time basis) or be financially dependent upon the Member for federal income tax purposes.

A spouse or child covered under the Contract as a Member of SAMBA will not be eligible as a Dependent. If both parents are covered as Members of SAMBA, a child will be the dependent of only one parent.

**Dependents Insurance:** Insurance on the person of a dependent.

**Doctor:** A licensed practitioner of the healing arts acting within the scope of the license.

**Earnings:** This is the gross amount of money paid to you by the Agency by which you are employed for performing the duties required of your job.

**Evidence of Insurability:** Proof of the Member's good health that is acceptable to Prudential.

**Member:** A person who is a Member of SAMBA other than a Member who becomes a Member as a result of being a surviving spouse. The term also applies to that person for any rights after insurance ends.

**Member Insurance:** Insurance on the person of a Member.

**Injury:** Bodily Injury sustained directly and independently of all other causes, which results in loss covered by the Contract. The Injury must occur while the Member or Dependent is covered under the Contract.

**Registered Domestic Partner:** Your Registered Domestic Partner means a person whose domestic partnership with you has been validly registered by the government of the District of Columbia.

**Sickness:** Any disorder of the body or mind of a Covered Person, but not an Injury; pregnancy of a Covered Person, including abortion, miscarriage or childbirth. The Sickness must occur while the coverage for the Member or Dependent is in force under the Contract.

**You:** A Member.

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# When Your Insurance Ends

## **MEMBER INSURANCE**

Your Member Insurance under a Coverage will terminate on the earliest of any of the following:

- the date the Group Contract providing the insurance ends;
- the date for Contributory Insurance under a Coverage of the Group Contract, you fail to pay, when due, any contribution required;
- the date you enter active military service of any country. For purposes of this insurance, active military service for training purposes of one month or less is not full-time service;
- the date the first of the following occurs: (a) the day your active pay and duty status with the Federal Government ends; or (b) the first anniversary of the date that you went on non-pay status on an approved leave. These provisions will not apply to you if, on the day your coverage would have terminated, you are still on a Federal Government payroll in some type of retiree status or are on a leave that is covered by Workers' Compensation; in that case you may become covered under the SAMBA retiree benefits;
- the next premium due date following the date you request cancellation of coverage. You must make this request in writing to SAMBA. No portion of the premiums already paid for premiums which were due prior to the request for cancellation will be refunded;
- the date on which the Member attains age 62.

## **MEMBER AND DEPENDENTS INSURANCE**

Your Member Insurance under a Coverage or your Dependents Insurance under a Coverage will end when the first of these occurs:

- Your membership in the Covered Classes for the insurance ends because your employment ends (see below) or for any other reason.
- The part of the Group Contract providing the insurance ends.
- For Contributory Insurance under a Coverage of the Group Contract, you fail to pay, when due, any contribution required. But, if Member Insurance is Contributory, failure to contribute for Dependents Insurance will not cause your Member Insurance to end.
- The Insurance is Dependents Insurance under the Dependents Term Life Coverage and your Member Insurance under the Member Term Life Coverage ends.

Your Dependents Insurance for a Qualified Dependent under a Coverage will end when that person ceases to be a Qualified Dependent for that Coverage.

**End of Employment:** For insurance purposes, your employment will end when you are no longer a full-time Member actively at work for the Employer. But, under the terms of the Group Contract, the Contract Holder may consider you as still employed in the Covered Classes during certain types of absences from full-time work. This is subject to any time limits or other conditions stated in the Group Contract.

If you stop active full-time work for any reason, you should contact the Employer at once to determine what arrangements, if any, have been made to continue any of your insurance.

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# Vermont Life Insurance

## Mandatory Civil Union Endorsement

### **PURPOSE**

This endorsement is part of the policy, contract, certificate and/or riders and endorsements to which it is attached and is intended to provide benefits for parties to a civil union. Vermont law requires that insurance contracts and policies offered to married persons and their families be made available to parties to a civil union and their families. In order to receive benefits in accordance with this endorsement, the civil union must have been established in the state of Vermont according to Vermont law.

### **GENERAL DEFINITIONS, TERMS CONDITIONS AND PROVISIONS**

The general definitions, terms, conditions or any other provisions of the policy, contract, certificate and/or riders and endorsements to which this mandatory endorsement is attached are hereby amended and superseded as follows:

Terms that mean or refer to a marital relationship or that may be construed to mean or refer to a marital relationship: such as "marriage", "spouse", "husband", "wife", "dependent", "next of kin", "relative", "beneficiary", "survivor", "immediate family" and any other such terms include the relationship created by a civil union.

Terms that mean or refer to a family relationship arising from a marriage such as "family", "immediate family", "dependent", "children", "next of kin", "relative", "beneficiary", "survivor" and any other such terms include the family relationship created by a civil union.

Terms that mean or refer to the inception or dissolution of a marriage, such as "date of marriage", "divorce decree", "termination of marriage" and any other such terms include the inception or dissolution of a civil union.

"Dependent" means a spouse, a party to a civil union, and/or a child or children (natural, stepchild, legally adopted or a minor who is dependent on the insured for support and maintenance) who is born to or brought to a marriage or to a civil union.

"Child or covered child" means a child (natural, step-child, legally adopted or a minor who is dependent on the insured for support and maintenance) who is born to or brought to a marriage or to a civil union.

### **CAUTIONARY DISCLOSURE**

**THIS ENDORSEMENT IS ISSUED TO MEET THE REQUIREMENTS OF VERMONT LAW AS EXPLAINED IN THE "PURPOSE" PARAGRAPH OF THE ENDORSEMENT. THE FEDERAL GOVERNMENT OR ANOTHER STATE GOVERNMENT MAY NOT RECOGNIZE THE BENEFITS GRANTED UNDER THIS ENDORSEMENT. YOU ARE ADVISED TO SEEK EXPERT ADVICE TO DETERMINE YOUR RIGHTS UNDER THIS CONTRACT.**

## ADDITIONAL PROVISIONS FOR MINNESOTA RESIDENTS

For Minnesota residents, there are additional provisions about your right to continue or convert coverage after your insurance ends.

### A. CONVERSION PRIVILEGE

**The following provision replaces the conversion provisions in the Member and Dependents Term Life Coverage sections of your booklet. But the provisions of this section A do not apply if section B applies.**

If you cease to be insured for the Member and Dependents Term Life Insurance of the Group Contract for one of the reasons stated below, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. The reasons are:

- (1) Your employment or membership ends or you transfer out of a Covered Class.
- (2) All term life insurance of the Group Contract for your class ends by amendment or otherwise.

Any such conversion is subject to the rest of this Section.

**Availability:** You must apply for the individual contract and pay the first premium within 31 days after you cease to be insured for the Member and Dependents Term Life Insurance.

**Individual Contract Rules:** The individual contract must conform to the following:

**Amount:** Not more than your Member and Dependents Term Life Insurance under this Coverage when your insurance ends.

**Form:** Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

**Premium:** Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

**Effective Date:** The end of the 31 day period during which you may apply for it.

## **B. CONTINUED LIFE INSURANCE COVERAGE AT YOUR OPTION**

**The following provision is added to the When Your Insurance Ends section of your booklet. When this section B applies, section A above does not.**

You have the right to continue your Member and Dependents Insurance under the life Coverages of the Group Contract if your insurance ends: (1) because you are voluntarily or involuntarily terminated or laid off from your employment (other than for gross misconduct) or (2) because your work hours are reduced.

The Contract Holder will give a written notice of the right to elect to continue the insurance. Such notice will state the amount of the payments, if any, required for the continued insurance and the manner in which any payments must be made. The amount of the contributions required to keep the insurance in force may be different from the amount you have been contributing. But, in no event will the amount exceed 102% of the cost for other Members in like circumstance whose employment is not ending or whose work hours have not been reduced.

If you want to continue the insurance, the election notice must be completed and returned to the Contract Holder, along with any required first payment, within 60 days of the later of: (1) the date the insurance would otherwise have ended; or (2) the date you receive the notice informing you of the right to continue. If this is done, the insurance will be continued from the date it would have ended until the first of these occurs:

- (1) The day 18 months from the date employment ended or work hours were reduced.
- (2) If you fail to make any payment required by the Contract Holder for the continued insurance, the end of the period for which you have made required payments.
- (3) The day you become covered under any other group life plan.
- (4) The part of the Group Contract providing the insurance ends.

While Member and Dependents Insurance is continued under this part, all other terms of the Group Contract will apply, except that the For Member Insurance part of the Delay of Effective Date section will not apply.

When continued insurance under this provision ends, you may elect to convert your coverage. See the Conversion section below.

### **CONVERSION AFTER CONTINUATION**

At the expiration of the Continuation coverage in this section B, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. Any such conversion is subject to the rest of this Section.

**Availability:** You must apply for the individual contract and pay the first premium within 31 days after the expiration of your continued coverage.

**Individual Contract Rules:** The individual contract must conform to the following:

**Amount:** Not more than your Member and Dependents Term Life Insurance under this Coverage when your continued coverage ends.

**Form:** Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for; and
- (3) provides the same or substantially similar benefits.

**Premium:** Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

**Effective Date:** The end of the 31 day period during which you may apply for it.

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## ERISA INFORMATION

## ERISA INFORMATION

<b>Plan Name:</b>	SAMBA Group Insurance Plan
<b>Type of Plan:</b>	Group Welfare Benefits Plan
<b>Plan Year:</b>	All financial records of the Plan are kept on a fiscal year of January 1 to December 31
<b>Plan Number:</b>	501
<b>Effective Date:</b>	The program described in the attached Certificate became effective January 1, 2011
<b>Type of Plan Administration:</b>	This Term Life Insurance Program is fully insured. Benefits are provided under a group insurance contract entered into between SAMBA and The Prudential Insurance Company of America. The Prudential Insurance Company of America, not SAMBA, is responsible for paying claims.
<b>Plan Sponsor:</b>	SAMBA 11301 Old Georgetown Road Rockville, MD 20852 301-984-1440
<b>Plan Sponsor's Employer Identification Number:</b>	52-1074154
<b>Insurance Company:</b>	The Prudential Insurance Company of America 751 Broad Street Newark, NJ 07102
<b>Plan Trustee:</b>	SAMBA Group Insurance plan reserves are held in the SAMBA Group Insurance Plan Grantor Trust. PNC Institutional Investments of Baltimore Maryland serves as the Trustee of this Trust.
<b>Plan Administrator</b>	SAMBA 11301 Old Georgetown Road Rockville, MD 20852 301-984-1440
<b>Named Fiduciary</b>	SAMBA 11301 Old Georgetown Road Rockville, MD 20852 301-984-1440
<b>Agent for Service of Legal Process:</b>	Corporation Guarantee & Trust Co. 1150 Connecticut Avenue, Suite 900 Washington, DC 20036 Legal Process may also be served on the Executive Director at the SAMBA address listed above.



<b>Amendment or Termination of Plan:</b>	The Plan Sponsor (SAMBA) expects to continue the Plan and Program indefinitely. But, the Plan Sponsor reserves the right to amend or terminate this Plan, including any Program under the plan, at any time.
<b>Cost of Benefits and Plan Funding:</b>	Premiums for Group Term Life Coverage and Dependents Group Term Life Coverage are paid by the Member. The plan is fully insured by The Prudential Insurance Company of America.

**Plan Benefits Provided by**

The Prudential Insurance Company of America  
751 Broad Street  
Newark, New Jersey 07102

This Group Contract underwritten by The Prudential Insurance Company of America provides insured benefits under your Employer's ERISA plan(s). For all purposes of this Group Contract, the Employer/Policyholder acts on its own behalf or as an agent of its employees. Under no circumstances will the Employer/Policyholder be deemed the agent of The Prudential Insurance Company of America, absent a written authorization of such status executed between the Employer/Policyholder and The Prudential Insurance Company of America. Nothing in these documents shall, of themselves, be deemed to be such written execution.

The Prudential Insurance Company of America as Claims Administrator has the sole discretion to interpret the terms of the Group Contract, to make factual findings, and to determine eligibility for benefits. The decision of the Claims Administrator shall not be overturned unless arbitrary and capricious.

**Loss of Benefits**

You must continue to be a member of the class to which this plan pertains and continue to make any of the contributions agreed to when you enroll. Failure to do so may result in partial or total loss of your benefits. It is intended that this plan will be continued for an indefinite period of time. But, SAMBA reserves the right to change or terminate the plan. This booklet describes your rights upon termination of the plan.

**Claim Procedures**

**1. Determination of Benefits**

Prudential shall notify you of the claim determination within 45 days of the receipt of your claim. This period may be extended by 30 days if such an extension is necessary due to matters beyond the control of the plan. A written notice of the extension, the reason for the extension and the date by which the plan expects to decide your claim, shall be furnished to you within the initial 45-day period. This period may be extended for an additional 30 days beyond the original 30-day extension if necessary due to matters beyond the control of the plan. A written notice of the additional extension, the reason for the additional extension and the date by which the plan expects to decide on your claim, shall be furnished to you within the first 30-day extension period if an additional extension of time is needed. However, if a period of time is extended due to your failure to submit information necessary to decide the claim, the period for making the benefit determination by Prudential will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If your claim for benefits is denied, in whole or in part, you or your authorized representative will receive a written notice from Prudential of your denial. The notice will be written in a manner calculated to be understood by you and shall include:

- (a) the specific reason(s) for the denial,
- (b) references to the specific plan provisions on which the benefit determination was based,
- (c) a description of any additional material or information necessary for you to perfect a claim and an explanation of why such information is necessary,
- (d) a description of Prudential's appeals procedures and applicable time limits, including a statement of your right to bring a civil action under section 502(a) of ERISA following your appeals, and
- (e) if an adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination will be provided free of charge upon request.

## **2. Appeals of Adverse Determination**

If your claim for benefits is denied or if you do not receive a response to your claim within the appropriate time frame (in which case the claim for benefits is deemed to have been denied), you or your representative may appeal your denied claim in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

A full review of the information in the claim file and any new information submitted to support the appeal will be conducted by Prudential, utilizing individuals not involved in the initial benefit determination. This review will not afford any deference to the initial benefit determination.

Prudential shall make a determination on your claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date that Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If the claim on appeal is denied in whole or in part, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include:

- (a) the specific reason(s) for the adverse determination,
- (b) references to the specific plan provisions on which the determination was based,

- (c) a statement that you are entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to your benefit claim upon request,
- (d) a description of Prudential's review procedures and applicable time limits,
- (e) a statement that you have the right to obtain upon request and free of charge, a copy of internal rules or guidelines relied upon in making this determination, and
- (f) a statement describing any appeals procedures offered by the plan, and your right to bring a civil suit under ERISA.

If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

If the appeal of your benefit claim is denied or if you do not receive a response to your appeal within the appropriate time frame (in which case the appeal is deemed to have been denied), you or your representative may make a second, voluntary appeal of your denial in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your second appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

Prudential shall make a determination on your second claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date by which Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

Your decision to submit a benefit dispute to this voluntary second level of appeal has no effect on your right to any other benefits under this plan. If you elect to initiate a lawsuit without submitting to a second level of appeal, the plan waives any right to assert that you failed to exhaust administrative remedies. If you elect to submit the dispute to the second level of appeal, the plan agrees that any statute of limitations or other defense based on timeliness is tolled during the time that the appeal is pending.

If the claim on appeal is denied in whole or in part for a second time, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include the same information that was included in the first adverse determination letter. If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

### **Rights and Protections**

As a participant in this plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

## **Receive Information about Your Plan and Benefits**

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

## **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

## **Enforce Your Rights**

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## **Assistance with Your Questions**

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

